

NUEXCO

EXECUTIVE SUMMARY

REPORT 187

(All data as of February 29, 1984)

Exchange Value
\$17.50, down \$3.00

The **Exchange Value** is **\$17.50** per pound U_3O_8 , down **\$3.00** since last month. Four uranium sales transactions are reported, involving approximately 2.0 million pounds U_3O_8 equivalent.

Supply-Demand Ratio
declined to 4.5:1

Active spot and near-term **uranium supply** amounts to **5.9 million** pounds U_3O_8 equivalent, up 1.7 million pounds from last month. Active spot and near-term **uranium demand** totals **1.3 million** pounds, up 800 thousand pounds. The spot and near-term **supply-demand ratio** declined to 4.5:1.

Transaction Value
fell \$0.55, to \$22.50

The **Transaction Value** is **\$22.50** per pound U_3O_8 , down **\$0.55** since last month. It includes 13 transactions involving a total of 2.0 million pounds U_3O_8 and equivalent UF_6 and covers a period of 7 months.

Loan Use Charge Rate
unchanged at 6%

The **Loan Use Charge Rate** remains **6 percent** per annum.

Conversion Value
dropped to \$0.30

The **Conversion Value** is **\$0.30** per pound U as UF_6 , down **\$0.30** since last month. One secondary market conversion transaction is reported. Active secondary market supply of conversion services for delivery within three years totals 3.1 million pounds U as UF_6 ; active demand amounts to 150 thousand pounds.

SWU Values
\$100 for DOE-origin (FY84)
\$83 for non-DOE origin
(delivery within 15 months)

The **SWU Values** are **\$100** per SWU of DOE origin, down **\$5** since last month, and **\$83** per SWU of non-DOE origin, down **\$2** since last month. Eight SWU transactions, involving a total of approximately 500 thousand SWUs, are reported this month. Active secondary market SWU supply amounts to approximately 900 thousand SWUs, while active demand totals approximately 300 thousand SWUs.

ANNUAL REVIEW: 1983

Secondary Market
Enrichment Services

This Report presents a review of pricing trends and important developments in the secondary SWU market during 1983.

Australia

The Labor Party's federal election victory marked the onset of a disappointing year for most uranium miners, as development of all uranium projects but one was deferred indefinitely.

Europe

While nuclear power's share of electricity generating capacity continued to grow, prospects for long-term sustained growth in most countries remained in doubt.

US Uranium Balance

Net imports of U_3O_8 to the USA amounted to 6.3 million pounds during 1983, while the net reduction of inventories was approximately 3.0 million pounds.

Focus: France

Recent cuts in the highly successful nuclear power program have led French companies involved with nuclear power to seek foreign markets aggressively.

NUEXCO

NUEXCO REPORT 187 FIGURES OF THE MONTH (February 29, 1984)	This Month (Report 187)	Last Month (Report 186)	12 Months Ago (Report 175)
Exchange Value ¹	17.50	20.50	21.75
Transaction Value ¹	22.50	23.05	20.00
Conversion Value ²	0.30	0.60	1.40
Loan Use Charge Rate ³	6%	6%	6%
Near-Term Uranium Supply ⁴	5.9	4.2	8.6
Near-Term Uranium Demand ⁵	1.3	0.5	2.8
Near-Term Supply-Demand Ratio	4.5	8.3	3.1
Recent Uranium Sales:			
Number of Transactions ⁶	4	5	5
Quantity of material ⁷	1.5-3.0	5.1-10.0	1.1
Nuexco SWU Values: ⁸			
DOE origin, FY 84 delivery	100	105	
non-DOE origin, delivery within 15 months	83	85	
USDOE SWU Prices:			
USEC	135.00	135.00	
AFC	138.65	138.65	138.65
Requirements	149.85	149.85	149.85
Market Value of Enriched UF ₆ ^{9 10} :			
2.5 w/o U ₂₃₅	531.70	586.10	600.94
3.0 w/o U ₂₃₅	684.77	752.87	770.28
3.5 w/o U ₂₃₅	840.99	922.95	942.70
4.0 w/o U ₂₃₅	999.36	1,095.28	1,117.40

¹US \$ per pound U₃O₈ equivalent.

²US \$ per pound U as UF₆.

³Per annum.

⁴Active inquiries to sell, for delivery within 12 months after contract signing (millions of pounds U₃O₈).

⁵Active inquiries to purchase, for delivery within 12 months after contract signing (millions of pounds U₃O₈).

⁶Uranium sales only; does not include loans, conversion, or SWU transactions.

⁷Millions of pounds U₃O₈, equivalent.

⁸US \$ per SWU.

⁹Calculated using the Nuexco Exchange Value, Conversion Value, and 0.20 percent tails assay. Calculations before 2/28/83 used the USDOE price for AFC SWUs. From 2/28/83 through 9/30/83, calculations used the Nuexco SWU Value for the relevant fiscal year. As of 10/31/83, calculations use the SWU value for DOE origin and FY 84 delivery.

¹⁰US \$ per KgU as UF₆.

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